

EWA: ADVANTAGES

When export reductions cannot be well defined in advance.

When the relationship between exports and environmental health is not well defined.

Adaptive Management

Incentives for cooperation

THE ROLE OF DEFAULT OPERATIONAL RULES

Default rules allow environmental credits and debts to be defined. Use defaults for:

Baseline ecosystem protection.

Entrainment protection, where the needs are highly predictable and high priority.

WHAT IS AN ENVIRONMENTAL WATER ACCOUNT?

The environmental water account is a way to shift from the default project operations in a way to increase biological protection without harming water users.

WHAT ARE ENVIRONMENTAL CREDITS?

Environmental rights to:

Actual water south of the Delta -- e.g., storage or reclamation

Reduced demand for water south of the Delta -- e.g., transfers or conservation

HOW ARE CREDITS ACQUIRED?

Purchase

Trade

Direct diversion of water from the Delta.

HOW AND WHERE ARE CREDITS HELD?

San Luis

Other surface reservoirs

Groundwater

Option contracts

HOW WOULD CREDITS BE USED TO AFFECT OPERATIONS?

Direct trade for reduced pumping
Collateral for reduced pumping

HOW WOULD WATER USER INTERESTS BE PROTECTED?

Default rules will determine export supplies

Operation of EWA based upon "no harm"

HOW CAN ENVIRONMENTAL RISKS BE MINIMIZED?

- o High priority water in storage.
- o Water purchase contracts south of the Delta.
- o Constant supplies of credits from water efficiency or reclamation projects

WHAT IS NEGOTIABLE?

A partial list

1. The default operational rules
2. Sharing of future export/storage capacity increases
3. Sharing of pumping above default rules
4. Environmental priorities for existing facilities.
5. Decisionmaking authority
6. Regulatory certainty
7. Who pays

UPSTREAM INTERACTIONS

- o Changes in Delta project operations will have upstream implications
- o Other standards might also be modified